

Add at end of Section 208, line 15, page 61 of H. R. 8716:

but nothing contained in this Act shall be construed to
impair the authorities in the CIA Act of 1949, as
amended (50 USC 403 a).

AMENDMENT

Add at end of section 208, line 15, page 61 of H. R. 8716:

"but nothing contained in this Act shall be construed to impair the authorities of the Central Intelligence Agency Act of 1949, as amended (50 USC 403 a)."

This amendment is designed to correct an inadvertent recission of certain authorities granted by the Central Intelligence Agency Act of 1949. By that Act the Agency was authorized to expend funds for personal services in such amounts as deemed necessary by the Director. In addition, when the Classification Act was basically revised in 1949, a number of agencies were exempted including the Central Intelligence Agency.

I am advised that the Central Intelligence Agency in fact follows the principles of the Classification Act and utilizes the general schedules in establishing the pay structure for its regular employees. The effect of section 208 as now worded would, however, limit the Agency in paying compensation at a rate no higher than the GS-18 rate. It should be pointed out that if this provision of law had been in effect in 1956 the Agency would have been limited to paying \$14,800 per annum.

Consider then the situation where in fact the Central Intelligence Agency in engaging the pilots of the U-2 program deemed it necessary and appropriate to establish a salary which has been reliably reported to be

\$30,000 a year based on the hazard and highly skilled services required.

The intent of the bill before us was to deal with the normal salary structure in Government and it was not intended to impair the operational authorities of the Central Intelligence Agency. I do not believe that this bill or even this Committee should take action to limit the Central Intelligence Agency's operational authorities and, consequently, I am offering this amendment to exempt them from this limitation.

Explanation Of Amendment To Section 208, H. R. 8716

This amendment to Section 208 of H. R. 8716 is offered in order to correct an inadvertent recision of authority of the Central Intelligence Agency by the terms of Section 208 as reported to the House by our Committee.

Insofar as this provision is concerned, H. R. 8716 is intended to deal with the pay and salary structure related to normal United States governmental operations and there was no intent either in the framing or in committee approval of this section to infringe on the very necessary operational authorities of the Central Intelligence Agency. I note also that ~~I~~ the granting of the exception set forth in the amendment which I am proposing is not at all unusual or unprecedented but is well in keeping with the procedure and authority set forth in other important general legislation. You will recall when the Classification Act was reported by this committee in 1949, exception was granted from inclusion under the Classification Act ^{or under} of the pay structure established by that Act to some nine agencies, one of which was the Central Intelligence Agency. The same treatment has been accorded the Central Intelligence Agency and others from operations under the Federal Property and Administrative Services Act insofar as the

requirements established therein would impair existing authorities and operations of the cited activities.

Section 208 of this bill as reported was intended in effect to prohibit the setting of compensation in excess of the salary established under this authority for GS-18. Were the exception granted by this amendment not provided, Section 208 would appear to limit the authority of that agency to this normal governmental ^{salary} standard.

As a limited illustration of a type of problem this could create, I would like to call to your attention the now rather highly publicized matter of the salary paid to U-2 pilots by the Central Intelligence Agency. It has been, I believe, reliably reported that these men were paid in the neighborhood of \$30,000 a year for their very hazardous and highly skilled services. In the absence of the authority granted by the Central Intelligence Agency Act of 1949, ^{that could have been paid} the salary of these men would have been limited to \$14,800. I believe we can agree that Congress has wisely granted to this Agency the authority to pay what is deemed to be necessary and just compensation for such extremely hazardous and highly skilled employment.

This amendment is proposed therefore under the strong conviction that the existing authority of the Central Intelligence Agency should not be impaired through the medium of a normal

I urge favorable consideration of the amendment by the members
of this body.